

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 95-0589 CSET

**CONTROLLED SUBSTANCE EXCISE TAX
FOR TAX PERIODS: 1995**

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ISSUE

1. CONTROLLED SUBSTANCE EXCISE TAX: IMPOSITION

Authority: IC 6-7-3-5

Taxpayer protests the assessment of Controlled Substance Excise Tax.

STATEMENT OF FACTS

Taxpayer was arrested for possession of cocaine. The Indiana Department of Revenue issued a record of Jeopardy Finding, Jeopardy Assessment Notice and Demand on September 28, 1995 in a base tax amount of \$812.80. Taxpayer protested the assessment and a hearing was held by telephone on September 15, 1999. Further facts will be provided as necessary.

Controlled Substance Excise Tax-Imposition

Discussion

IC 6-7-3-5 imposes the Controlled Substance Excise Tax on the possession of cocaine in the State of Indiana. Taxpayer has the burden of proving that the assessment is incorrect. At the hearing, Taxpayer admitted that he possessed cocaine at the time of his arrest. Therefore the tax was properly imposed.

Finding

Taxpayer's protest is denied.